

July 28, 2022

REF: Community Reinvestment Act Proposed Rulemaking

What do we really wish to accomplish with the Community Reinvestment Act?

I believe the end goal is to have neighborhoods that are safe and vibrant.

This can be best accomplished, in my experience, by working with local community organizations that rebuild neighborhoods.

Habitat for Humanity comes to mind. Another is Common Ground which serves the city and suburbs of Milwaukee. Common Ground pressured banks to give loans (these were banks that harmed local communities in the subprime crisis), was able to purchase properties in default, and then rebuilt them for residents. They saved several neighborhoods and gave employment to residents. A Win-Win for everyone

The classic example is the restoration of Bedford-Stuyvesant in Brooklyn, where blacks moved into a previous middle class neighbor. Then banks reduced or eliminated their lending. Riots occurred and government and foundations contributed funds, but the trigger was a minister, The Rev. Johnny Youngblood of St Paul's Baptist Church. The organization he led was Brooklyn Congregation. With funds and, most importantly, community support they resurrected a burned out community.

The key is community involvement and patience to go neighborhood to neighborhood. It sounds simple and it is. And it works.

My own experience in local government as chair of several commissions, as an elected official, as a futurist (who predicted the subprime crisis and the S&L collapse), as a portfolio manager, as the CEO of a foundation, and as a participant in our efforts with Common Ground in Milwaukee help me understand that communities can be reborn. Government, private and bank investment can add to success, but the community leadership is the essential part. Then everyone wins.

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